

## TENNESSEE STATE FUNDING BOARD

May 25, 2018

The Tennessee State Funding Board (the "Board") met on Friday, May 25, 2018, at 8:15 a.m., in the Tennessee State Capitol, Ground Floor, Executive Conference Room, Nashville, Tennessee. The Honorable Bill Haslam, Governor, was present and presided over the meeting.

The following members were also present:

The Honorable Tre Hargett, Secretary of the State of Tennessee  
The Honorable David Lillard, State Treasurer

The following members were absent:

The Honorable Justin Wilson, Comptroller  
Commissioner Larry Martin, Department of Finance and Administration

Seeing a physical quorum present, Mr. Haslam called the meeting to order.

Mr. Haslam recognized Ms. Sandra Thompson, Director of the Office of State and Local Finance (OSLF) and Assistant Secretary to the Board, who presented for consideration and approval a request from the City of Sevierville (the "City") to issue debt pursuant to Tennessee Code Annotated, Section 7-88-107 (TCA 7-88-107). Ms. Thompson recognized Mr. Mark Mamantov, Bass, Berry and Sims, who was in attendance to represent the City of Sevierville and presented the request for the City to issue bonds to refund the outstanding principal amount of publicly sold bonds that are maturing on June 1, 2018. Mr. Mamantov explained the City began working on the refunding in March and the City posted a Preliminary Official Statement to sell the Bonds on April 23, 2018, and the bonds were sold by public competitive sale on May 1, 2018. Mr. Mamantov explained that the City has a tourist development zone (TDZ) and the bonds that are maturing on June 1, 2018 were payable from and secured by TDZ revenues as well as the general credit of the City. Mr. Mamantov explained that while the City was preparing for the bond sale, TCA 7-88-107 became effective which required any bonds proposed to be issued under the TDZ act, including any refunding, must be approved by the Board. Mr. Mamantov explained that the City needed the Board's approval to allow the City to close the bonds on May 31, 2018. Mr. Lillard noted that the Comptroller issued a letter on March 26, 2018 to the City that noted the insufficiency of revenue from the TDZ and that the City should come up with a comprehensive plan to pay off the TDZ debt which expires in 2034.

Mr. Hargett moved approval of the request. Mr. Lillard seconded the motion and it was unanimously approved.

After requesting other business and hearing none, Mr. Haslam adjourned the meeting.

Approved on this 19<sup>th</sup> day of June 2018.

Respectfully submitted,

  
Sandra Thompson  
Assistant Secretary